

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Application No.: 09/215,804

Confirmation No.: 1595

In re application of: Mark Gavin et al.

Filed: December 18, 1998

Technology Center/Art Unit: 2176

Examiner: William L. Bashore

Docket No.: D3239-00002

Customer No.: **08933**

Title: METHOD, SYSTEM AND COMPUTER PROGRAM FOR REDACTION OF
MATERIAL FROM DOCUMENTS

Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

DECLARATION UNDER 37 CFR § 1.132

Sir:

I, Virginia M. Gavin, hereby declare as follows:

1. I am one of the named inventors of the above-identified patent application (the "Application").
2. My current position is President of Appligent, Inc., the successor in interest to Digital Applications, Inc. and assignee of the Application. I have held this position since January 1991.
3. I understand that claims from the Application directed to redacting textual and image content from a document in portable document format (PDF) comprising a PDF data stream were rejected as being obvious in view of various references.
4. We have been selling versions of our Redax® redaction software since December 1997.

5. Our first version of the redaction software (Redax 1.0) could only redact text from PDF documents. Despite heavy promotion of this product, sales of the Redax 1.0 product were insignificant – only 16 copies were sold. At that time, we believed the primary market for Redax 1.0 was in the government space. My coinventor (Mark Gavin) and I spent considerable time in Washington D.C. promoting Redax 1.0 to various government agencies and attended several conferences and trade shows, including the largest and most vital trade show and conference for government technology professionals — FOSE, two conferences with ASAP (American Society of Access Professionals) and one conference and tradeshow for the Intelligence community at the NRO (National Reconnaissance Office), and conducted ten one day exhibitions of the product at various agencies, such as Department of Justice and Federal Bureau of Investigation. It is our belief that the negligible amount of sales for this version can be attributed to the product's inability to redact both text and images from PDF documents. We have spent less time promoting the later versions of Redax, which could redact both text and images and which are discussed below. Since 1999, we have attended only two government conferences (ASAP) and one government trade show (FOSE) per year. In 2006 we added the Records Administration Conference (RACO) (sponsored by National Archives & Records Administration (NARA)) as a conference we attended to promote Redax.
6. On or around May 1998, Appligent released Redax 1.5, which was the first version of Redax capable of redacting both text and images from PDF documents and operates in accordance with the claims of the Application. This version and later versions (up to version 4.5), which also redact both text and images, have met with great commercial success. We believe this commercial success is due to the product's ability to redact both text and images. Since 1998, we have over two hundred and fifty thousand (250,000) licensed users of Redax versions that are capable of redacting both text and images from electronic documents in PDF format. The product has also been licensed for integration in several high-end document-management system packages. Revenues for this product have exceeded three million dollars (\$3,000,000).
7. Each purchaser of Redax 1.0, which could only redact text, has upgraded to a version of Redax that can redact both text and images. Based in part on direct feedback from our

customers, such as the FDA, we understand that the ability to redact both text and images from PDF documents was the critical feature in the product's great commercial success and demand.

8. In 2003, we released Redax Lite, which allows the user to mark up PDF documents with standard Acrobat markups (highlights, underscores and strikeouts) and enables the user to redact only text, and not images, from PDF documents. This text-only product has met with no commercial success. Redax Lite was released at the same time as Redax 3.7 (which could redact both text and images). We believed Redax Lite would appeal to corporations and law firms who had newer PDF documents created from word processor applications, unlike government agencies that needed to redact a backlog of paper documents that they scanned into PDF. Redax Lite and Redax have been promoted equally. Since 2003, we have sold only thirty-one (31) copies of Redax Lite whereas we have sold or licensed more than 150,000 copies of Redax version 3.7 and later versions during this timeframe. The vast majority of the Redax Lite users – approximately 90% – quickly upgraded from Redax Lite to a version of Redax that can redact both images and text. It is our understanding that the low sales for Redax Lite can be attributed to the product's inability to redact both text and images from PDF documents.
9. There were no significant bugs or errors in Redax 1.0 or Redax Lite that hindered the commercial success of those products. Also, there were no significant new or enhanced features in Redax version 1.5 and later versions – other than those versions' ability to redact both text and image content – that contributed to their commercial success. Redax Lite is essentially Redax 1.0 with the exception that it works on newer versions of Acrobat® software. We have decided not to compile a version for the new Acrobat 8 software because there appears to be no market for a text only redaction tool. It is also my understanding that Adobe originally planned on providing only text redaction functionality in its new Acrobat 8 software. Early beta versions that were shown to law firms (their target customers for redaction) did not redact scanned images. It is my understanding that these law firms told Adobe Product Management that they needed to be able to redact images as well as text. Therefore, the version of the recently released Acrobat 8 software redacts both text and images, like versions of Redax since Redax 1.5.

10. Versions of Redax that can redact both text and images from a PDF document have gained great acceptance from governmental customers as the required and/or preferred redaction tool. Examples of government bodies that use the Redax tool include the U.S. Department of Justice, Royal Canadian Mounted Police, U.S. Department of Health and Human Services (including all divisions of the FDA), U.S. Army, U.S. Air Force, Queensland Government (Australia), Health Canada, U.S. Department of the Treasury (including the IRS) and the National Transportation Safety Board.
11. We believe that every government agency, corporation and law firm that has purchased Redax 1.5 and later versions is using the software, based on, for example, support calls we receive, requests for upgrade information, and requests for replacement serial numbers and software when a computer is replaced.
12. The Redax products (versions 1.5 and later) helped create the market for electronic redaction of text and images in the government market. At the time Redax 1.5 was released, there was no other commercial product that could perform redactions in PDF documents. Two other commercial products on the market at the time performed using TIFF format electronic documents. Neither product is still sold. At the time, for the most part, government agencies performed redaction manually using x-acto knives, grease pencils, or tape or pink markers used with special XEROX® copiers. Some federal agencies, including divisions in the FDA, wrote software internally to perform redaction in TIFF format electronic documents, but these systems became impossible to maintain as the developers retired. The FDA was one of the earliest adopters of Redax 1.5.
13. Many companies in this market space are privately held and do not report revenues. From anecdotal evidence and understanding of our market, it is my belief that Redax has achieved about 75% of the market share in federal government agencies in the U.S. and Canada for PDF desktop redaction products that redact both text and images.
14. There are now an increasing number of products that do electronic redaction, but most of these products are still dependant on the use of TIFF format electronic documents and do not perform redaction entirely in a PDF environment like Redax 1.5 and later versions. For example, RapidRedact (TM) from Onstream Systems turns documents into TIFF to

do the redactions and then puts the TIFF in a PDF wrapper. Companies such as CSI also provide redaction software (IntelliDact (TM)) that does TIFF only redaction. CSI's product is unable to fully redact PDF documents that have images plus hidden text. Adobe did not include redaction in Acrobat® until the latest version of Acrobat®, which is Acrobat 8 (released 4th Q 2006). Nonetheless, it is our understanding that our federal government customers who have upgraded to Acrobat 8 continue to use Redax as their redaction tool instead of the new built in redaction features in Acrobat 8.

15. Redax is seen as the market leader in PDF redaction of text and images. When Nuance Communications (formerly ScanSoft) wanted to add redaction to its PDF Converter Professional 4.0 product, which is a competitor to Adobe Acrobat®, Nuance licensed Redax from us because of its superior functionality and its recognition as such in the marketplace. Nuance did not even change the name of the redaction tool in their product but rather refers to the tool as Redax so they have instant recognition of the market leader in the redaction market space. Nuance only started shipping Redax for PDF Converter in June 2007, but, by the end of June Nuance had already secured a blanket purchase order (BPO) with the Department of Justice (DOJ) for PDF Converter with Redax and four other Nuance products. It is our understanding from Nuance that Redax was the catalyst that opened the door for Nuance at the DOJ, an agency to which Nuance had previously not made sales. Three divisions of the DOJ have made purchases under the BPO for a total of 30,000 seats, all since June 2007. Nuance has deals with other divisions that are pending for another 100,000 seats. The Department of Labor also just purchased \$50,000 of PDF Converter. It is our understanding from Nuance the principal reason for this purchase was the redaction capabilities of PDF Converter provided by Redax.
16. The Redax product (for redacting both text and images from PDF documents) has also met with great approval and been widely praised in the industry and by competitors.
17. In "Redaction of Confidential Information in Electronic Documents" (Exhibit A to my January 23, 2007 Rule 132 Declaration), Adobe Systems, Inc. (Adobe) – the inventor of the PDF format and a competitor of Appligent – recognized the importance of and difficulties associated with redacting electronic documents in PDF format. According to

the article, the Redax product is recommended by Adobe for performing redactions from PDF documents. (Page 2). The only other alternative, according to the publication, is a complex PDF-to-TIFF-to-PDF conversion process. (Pages 11-12).

18. Likewise, in an "Acrobat for Legal Professionals" blog sponsored by Adobe (Exhibit B to my January 23, 2007 Rule 132 Declaration), the author, who is an Adobe employee, describes why alternative redaction processes (besides Redax and the PDF-to-TIFF-to-PDF conversion processes) such as using built in features of Adobe Acrobat cannot remove the redacted content from the underlying data stream and thus are not recommended. (Pages 1-3). The author recommends Redax as "the best way to redact PDF". (Page 5).
19. In "Redacting PDF Files: a survey of tools" (Exhibit C to my January 23, 2007 Rule 132 Declaration), the author describes generally how, despite releasing the PDF format in 1993 and over a billion dollars in revenue annually, Adobe had not developed a true PDF based redaction tool (at the time of the article) (Page 1). The author references the "clunky" PDF-to-TIFF-to-PDF "work around" redaction technique and describes other redaction tools that cannot work entirely in PDF format. (Pages 1-2). The author discusses the difficult task of redacting directly from PDF documents without conversion to other formats and problems associated with other approaches, such as loss of the underlying content and damaging of images: "As a result, most software developed for redaction purposes doesn't deal in PDF per se at all, but must convert PDFs to images prior to the redaction process. This approach, while relatively easy to implement, strips all the non-redacted text from the PDF, usually damages the appearance of photographs and other images and often results in increased filesize." (Page 2). The author states, "So far, only Appligent delivers serious, stand alone redaction software that keeps PDFs 'as they were' in all respects-minus the redacted information, of course." (Page 2). With this in mind, the author lauds the Redax product and states, "Redax is the standard against which all PDF redaction software must be measured. The application rewards either a structured or ad hoc approach with the most efficient, powerful and flexible PDF redaction option available." (Page 2). The author concludes, "[U]sers requiring

redaction solutions for PDF are limited to two basic options: the PDF redaction via a tool such as Redax, or converting PDF to TIFF to 'burn in' comments." (Page 4).

20. In "PDF Redaction – some Q & A" (Exhibit D to my January 23, 2007 Rule 132 Declaration), the author discusses some high profile mistakes that have been made by assuming content in PDF files can simply be redacted using features in Acrobat. (Page 1-2). The author recommends the Redax product for true, irreversible redaction. (Page 2).
21. Likewise, in Jim Calloway's Law Practice Tips Blog on "Redaction of PDF files" (Exhibit E to my January 23, 2007 Rule 132 Declaration), the author describes a high profile incident in which sensitive information was improperly redacted from a PDF document. (Page 1). The author notes that Adobe recommends Redax for proper redaction: "I recently learned from Adobe about some real and effective PDF redaction tools from Appligent.com. The products are not cheap, but if you are redacting a PDF you are going to distribute, you want to do it right." (Page 1).
22. On Lori DeFurio's blog on Adobe (Exhibit F to my January 23, 2007 Rule 132 Declaration), posted at an Adobe site, the author, who is an Adobe employee, discusses how Adobe's Developer Technologies Team posted a proposed document on how to remove sensitive information from PDF documents. (Page 1). Mention of Appligent's redaction product was "accidentally" omitted from the proposed document. (Page 1). The following correspondence shows the recognized importance and effectiveness of the Redax product by the industry:
 - "Hi Lori -- I didn't see mention of Appligent's Redax in there -- from what I understand this extension is a de facto standard at various US federal agencies -- how does Redax fit within the total set of needs described in this document?"
 - "Ah... no one is perfect - including Adobe Systems. The omission of Redax was an 'accident'. Redax is a very integral part of many PDF redaction workflows, and used by many federal agencies to adhere to the Freedom of Information Act (FOIA). The document is being updated as we speak, and I'll repost to this blog when the updated version is live."

- “Omitting Redax is one serious problem with this document, since it's been around for years and is a proven product with hundreds of thousands of seats installed.”
23. In “PDF Redaction Lapse” (Exhibit G to my January 23, 2007 Rule 132 Declaration), the author also discusses a high profile mishap that occurred when redacting PDF documents. She also states that Adobe recommends a specific tool for performing redaction of PDF documents. The link provided by the author directs the reader to the Redax webpage of Appligent.
24. As shown in Exhibit H to my January 23, 2007 Rule 132 Declaration, at least one court has recommended Redax as the tool for redacting content from PDF files. (Page 4).
25. The Redax product, which redacts both text and images, is also praised in “A New Generation of Redacting Tool” (Exhibit I to my January 23, 2007 Rule 132 Declaration). In this article, the author states: “The leading redaction software for PDF documents, which retails for \$349, is Redax 3.0, manufactured by Lansdowne, Pa.-based Appligent Inc. Lauded for its ease of use (as training takes less than an hour), Redax searches PDF documents and tags protected words, phrases or pictures. It then creates a new document in which the redacted text is completely deleted, preventing a reviewer from retrieving any eliminated data.” The author continues, “Robert Dawson, an attorney at Dawson Law Chambers in Winnipeg, Canada, notes that Redax ‘allows a simple box to be drawn over the irrelevant information and a code to be inserted, referring to the specific court rule that justifies the redaction.’” Further, the author quotes Lori DeFurio, “developer evangelist for Adobe's ePaper technologies” as stating “Redax is the tool of choice when anyone even says the word redaction.”
26. Further, the article “Plug-in for Acrobat Exchange and Windows Rescues Redaction Process” recommends Redax for redaction of images and text. (Exhibit J to my January 23, 2007 Rule 132 Declaration). (Pages 1-2).
27. Finally, in “Cut it out, or copy without? Redacting with Acrobat 8 Professional vs. Redax” (Exhibit K to my January 23, 2007 Rule 132 Declaration), the author compares Adobe's newly released Acrobat 8, which includes redaction of text and images, to


Redax. The author explains that "Acrobat 8 Professional is the first Adobe software to include a redaction feature for PDF, but it's not the first. . . . Appligent developed and released the first version of Redax, which quickly became the definitive tool for serious redaction work on PDF files." (Page 1). After comparing the two products, the author states, "I cannot as yet recommend Acrobat's redaction, free as it is (with the purchase price of Acrobat 8 Pro), over the fail safe and time tested Redax." (Page 2).

28. These articles show the professional approval in the industry of Redax 1.5 and later versions as the de facto tool for redacting text and image content from PDF documents.

I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further state that these statements were made with my knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of this patent.

Respectfully submitted,

Dated: October 12, 2007



Virginia M. Gavin